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**Message of Governor
Frank R. Gooding**

**TO THE NINTH LEGISLA-
TURE, STATE OF IDAHO**



**Message of Governor Frank R. Gooding
to the Ninth Legislature of the State of
Idaho. § § January 8, 1907**

.. Governor's Message ..

It is again my great privilege and honor to address the chosen representatives of the people of this commonwealth, who have assembled for the Ninth session of the Legislature, in obedience to the Constitution and the will of the people, for the enactment of such laws for the benefit of our State as in your judgment seem best; and for the transaction of the regular business of the session, as provided by the laws of Idaho.

You meet under the most favorable circumstances. The whole nation is blessed with an era of prosperity never equaled before. Idaho has received her full share of these blessings. The State during the past two years has gone forward by leaps and bounds. Every department of the State has been taxed to the fullest capacity to keep pace with the marvelous growth that has taken place in our great young commonwealth. It is with much pride that I say that every State officer and every State employe has done his best to keep the affairs of State abreast of this great growth, that it has been our good fortune to enjoy.

I am glad to be able to report a healthy condition in all our State institutions. I most respectfully ask that you read with care all the reports from the various State departments and institutions, which you will find on your desks, and which will give you the fullest information as to our State affairs, the growth of the different departments and institutions in the past, and of their needs for the next two years.

Most of the departments have kept well within the appropriations provided by the Eighth session for their maintenance. With some of the departments this has been impossible, owing to the enormous demands made upon them by the growth of the State during the past two years. I would respectfully suggest that where deficiencies are shown, that you appoint proper committees at your earliest convenience to investigate these departments, so that you, and through you, the people may know whether the moneys appropriated and used have been spent judiciously and for the best interests of those departments and institutions.

STATE AND COUNTY DEPOSITORY LAWS.

I feel it is my duty to call your attention to the laws passed at the Eighth session, which made many important changes in the management of State affairs, and briefly show what the operation of these laws has meant to the people of Idaho. Among the most important of these enactments were what are known as the State and County Depository Laws, which provided for the deposit of public moneys in the current funds of the State and counties in banks, furnishing proper securities, and offering to pay interest upon daily balances. The need for the enactment and enforcing of such laws had been long felt and expressed among the people, and in their operation these laws have fully met the expectations of their warmest supporters. Since the State Depository Law has been put into operation in the late spring of 1905, it has earned for the people \$13,324.27. It can safely be predicted that through the operation of this law, the public funds in the State Treasury will earn during the coming two years at least \$18,000.

The County Depsoitory Law did not become operative until 1906. Through its operation it has been demonstrated that in all counties of the first class, the Treasurer's office can be made more than self-sustaining. A practical demonstration of the workings of these two laws has shown them to be strong measures in the way of revenue earners, and they have done a great deal to improve political conditions in many counties of our State.

DEPARTMENT OF STATE BANKING.

Another much needed law, which was passed by the last Legislature, was that which created the Department of State Banking, and provided for the appointment of a State Bank Commissioner. The marvelous growth of these institutions in our State since the enactment of this law, shows very plainly the confidence of the people in the wisdom of this statute. This law was enacted two years ago. We then had in Idaho sixty State Banks—with a capital stock of \$2,355,000. During the past two years there have been added thirty State Banks to this number, with a capital stock of \$4,376,423. In addition there has been a notable increase in the capital stock and resources of the State Banks in existence when the law was passed. The following will give some idea of the growth of the State banking institutions during the past two years, and will show in some degree the importance of the new department of State.

The State Banking Law went into effect in March, 1905. At that time in Idaho there were twenty-seven National Banks, with capital, surplus and undivided profits aggregating \$1,960,000, and deposits of \$7,269,201. There were sixty State and Private Banks and Trust Companies, with

capital stock, surplus and undivided profits of about \$2,355,000, and estimated deposits of about \$8,000,000. The total capital of all banks was thus shown to be \$4,315,000, and their total deposits, \$15,669,201. On November 12, 1906, the following is an official report of the banking business of the State: "Thirty-two National Banks, with capital, etc., of \$2,723,540; deposits, \$12,303,502. Ninety State and Private Banks and Trust Companies, with capital, etc., of \$4,376,423; deposits, \$13,530,335. The total number of banks in the State at that date was 122, with an aggregate capital of \$7,099,963, and aggregate deposits of \$25,833,837. During the twenty-one months that the law has been enforced, there has been an increase in the number of State Banks of between 35 and 40 per cent., an increase in the capital, surplus and undivided earnings of all banks of 65 per cent., and an increase in deposits of all banks of 65 per cent. The State Banks have made a much greater proportionate increase than the National Banks. Possibly in no other way has the growth of the State been more clearly shown than through its financial and banking institutions. This excellent showing should be a source of pride to every citizen of Idaho.

STATE ENGINEER.

Among the laws passed by the last session was one relative to the State Engineer's office. A system of fees was provided by means of which the office has been made more than self-sustaining, and now that office, in place of being a burden upon the taxpayers, has become a source of revenue. This law has also done much to protect the great power sites of our State. However, this is a subject deserving of

careful attention. Idaho is blessed with more great power sites than any other State in the Union. Yet when the resources of the State are developed, all these natural power sites will be taxed to their utmost capacity to furnish power and those other conveniences to which electricity is being put in this age of progressive advancement. The question of conveying this power outside of the State is one of importance to the people, and demands your most serious consideration.

LAWS PROMOTING ECONOMY.

Among other laws of merit passed by the Eighth session was one which provided that State officers and employes should take receipts for every penny of expenditure; also a law compelling State institutions to purchase supplies only after competitive bids had been received. Among other new laws worthy of mention is that making the State Insurance Commissioner ex-officio State Examiner.

CARE OF DELINQUENT CHILDREN.

Still another law passed by the last session of the Legislature provided for the care of delinquent children. Not so much has been accomplished by this law as had been hoped for. While it is an excellent measure, I feel that to put it into effective operation there must be provided in some way a paid probation officer. Every large city in Idaho should have such an officer, whose duty it should be to give all his time to the care of delinquent children.

To my mind this is the great work of the Twentieth century. The expenditures made in this line, I feel certain,

would prove acts of true economy. In the enforcement of this law lies the best hope of improving the citizenship of our State. In many of the large cities where a similar law has been in operation for a number of years, a remarkable decrease in crime has been shown among juvenile offenders. I most heartily recommend such amendment of this law as will render it effective.

LAND DEPARTMENT REORGANIZATION.

The Eighth Session of the Idaho Legislature provided by enactment for the reorganization of the State Land Department. Under this reorganization during the past two years this most important department of State has made a record of which we may all feel proud. The magnitude and importance of the work and responsibilities of this department can hardly be comprehended without careful consideration. The State Land Department has in its charge all the lands belonging to the State, and is vested with the power of disposing of these lands, either by lease or sale. In its hands is placed the care and investment of the trust funds arising from the sale of these lands, and of the timber from the lands, and the apportionment of the earnings of these grants and their proceeds.

The grant to the common schools alone aggregate one-eighteenth of the area of the State. Congress at the time of the admission of Idaho as a State, also made special grants to all public institutions, these grants aggregating 668,080 acres. In addition to this, Congress through the Carey Land Act ceded to the State one million acres of land, the greater portion of which has already been segregated. The State Land Department has thus been made

the greatest trust, and the largest fiduciary institution within the State. Upon a wise administration of this trust, and a careful investment of its funds, depends in large measure the efficiency of the common schools and the prosperous condition of all the different educational, charitable and reformatory institutions of Idaho. The supervision of these enormous grants has occupied much of the time of the past administration, and the success achieved during the past two years in the management of the State Land Department's affairs is a source of deep gratification to all those who have been connected with this important work. While the expense of administering the Land Department has greatly exceeded the appropriation made for that purpose, the Board of State Land Commissioners has felt that to stop the beneficial work being done, solely to limit the deficiency created, would be false economy, and that if this were done, the board would be deserving of severe censure.

VOLUME OF BUSINESS TRANSACTED.

I have only space and time in this message to give you briefly an idea of the volume of business transacted in this department during the past two years, and I desire to make an especial request that you give most careful reading and consideration to the report of the State Land Department now on your desks in printed form.

Of the special grants given by Congress to State institutions, there has been selected almost the entire amount, and of these selections there have been clear listed to the State 586,749.81 acres. The land selections of the past two years have aggregated 210,051.01 acres, of which 184,494.76 acres were for common school indemnity. Of the land selected

80,007.83 acres were timber lands, mostly in north Idaho, and 130,043.18 acres agricultural lands, very largely located in southeastern Idaho. The expense of doing this work of selection has been very considerable—the land office fees, advertising and legal department expenses aggregating \$5,724.31. The cost of estimating and cruising the State timber lands was \$15,046.30. The cost of appraising and selecting agricultural lands was \$8,498.59. This important work of selecting, estimating and appraising the timber and agricultural lands has been performed in the most economical manner consonant with thoroughness, the cost of cruising and estimating timber lands being seven and one-half cents an acre, and of selecting and appraising agricultural lands one and one-tenth cents an acre.

The State's holding in timber lands are valued at many millions of dollars. From the beginning of statehood until January 1, 1905, large areas of these timber lands have been burned over by forest fires, entailing great loss upon the State. During the past two years the State Land Board has expended \$15,017.87 in fire patrol and fire fighting, and despite the terrifically destructive forest fires of the past two years throughout the northwest, the State of Idaho has suffered no loss from this source. I would respectfully suggest to the Legislature that a law should be passed providing for a permanent fire patrol, under the control and supervision of the State.

The total expenditures of the State Land Department for all purposes during the last two years were \$73,643.21. Of this amount the salaries of officers and clerks, purchase of records and stationery and furniture and fixtures cost \$28,372.03. This can be regarded as the actual administra-

tive expense of handling the Land Department under normal conditions, and when the extra work entailed by a faulty system, has been completed.

The total cash receipts of the Land Department from January 1, 1905, to December 1, 1906, were \$1,230,334.09—made up in the following manner:

Earnings from investments	\$124,896.63
Investments repaid	463,157.13
State lands	623,054.27
Carey act lands	62,944.01
Register's fees	6,281.15

Of the receipts from State lands, \$96,920.91 was from interest earned on deferred payments, and \$54,284.56 on account of rentals paid. The earnings account includes:

Interest on deferred payments	\$ 96,920.91
Rentals of lands	54,284.56
Interest earnings by investments	124,896.63
Register's fees	6,281.15
Carey act land receipts	62,944.91

A total of\$345,328.16

During the past two years the Land Board has sold 45,578.30 acres of land, the sale price being \$764,908—of which there is still unpaid \$632,697.12. This amount is in fact an additional investment, drawing interest at the rate of 6 per cent. a year.

One of the great sources of revenue to the Land Department has been from the sale of timber. During the past two years the timber on 15,460.58 acres of common school land was sold for \$222,271.97, an average price of \$14.37 per acre. These sales are under ten and fifteen-year remov-

al agreements. Prior to January 1, 1905, timber on 136,831.85 acres of State lands was sold, the purchase price being \$699,820.31—an average of \$5.11 an acre.

The lands from which timber was sold during the past two years, have been isolated and scattered tracts, mostly in the midst of cut over forest lands, and in imminent danger from fires. The prices obtained in these sales on a stumpage basis are admittedly the best ever paid in the Pacific northwest.

The total investment of funds by the Land Department on January 1, 1905, was \$1,198,324.29. During the past two years investments of endowment funds have been made to the amount of \$812,744.39. During this time there has been a repayment of investments aggregating \$462,721.88. The present investment of endowment funds aggregate \$1,547,911.55, and there is now considerable money on hand, investment of which has been arranged for. During the years 1905-06 the State Land Department has turned over to the Treasurer for apportionment among the common schools of the State, \$224,834.91. From the cash receipts of the two years, there has been apportioned to the common school endowment fund and invested \$440,732.46.

The records of the State Land Department show that there has been received from the sale of State land, during the sixteen years since the department was organized, \$2,071,496.37, and that the interest paid on deferred payments was \$403,199.02. During this time the total receipts from sales of State timber were \$922,092.18. Receipts from rentals were \$162,734.50—of which \$108,449.94 was received prior to January 1, 1905—more than one-third the rental receipts being credited to the years 1905-06. The total cash

receipts of the State Land Department from organization until December 1, 1906, were: Endowment funds, \$1,620,-624.38; maintenance funds, by reason of interest on deferred payments and rentals, \$565,933.59; deferred payment account on land sales, drawing 6 per cent. interest, \$1,372,964.17. The total cash resources of the Land Department, including investments, cash on hand and deferred payments still due aggregate \$2,993,588.55. Of this total cash resource \$764,928 has been accumulated during the years 1905-06 from the sales of land, and \$222,271.97 from timber sales.

As indicative of the growth of business under reorganization of the State Land Department, the following comparative statements are given: Between the years 1891 and 1904 inclusive, 91,400 acres of State lands were sold for \$1,306,568.37—being an average of \$14.29 an acre. During 1905-06 sales of State land aggregating 45,578.3 acres were sold for \$764,928—an average of \$16.78 an acre. (The acreage and price for timber sold has been mentioned above). In 1891-1904, inclusive, the average annual rental collection was \$7,746.42, while in 1905-06 the yearly rental collection has been \$27,142.28. The total earnings during the first fourteen years of the department's existence, from rentals, interest on deferred payments and interest on investments, was \$487,784.93. From the same sources during the years 1905-06 to December 1, 1906, the receipts have been \$276,102.10. Eliminating the interest on deferred payments, the earnings of the department prior to 1905 were \$166,832.37; during 1905-06 these earnings aggregated \$179,181.19.

The results of reorganization of this most important de-

partment, in the best sense cannot be expressed in the way of figures. At the beginning of the year 1905, the State Land Board found the Land Department affairs in deplorable condition. There were no proper records, the State did not know what it owned, either in land or money, with the accuracy necessary in such a department. Much of the effort of the department during the past two years has been directed toward getting its records in proper shape, and although much still remains to be done, I feel great pride in the work that has been done, and hope and believe that during the coming two years this department's records will be gotten into perfect condition.

I desire to urge upon the Legislature the necessity of the appointment of a joint committee, which shall make a careful scrutiny of Land Department matters, familiarizing the members of the committee, and through them, yourselves, with the methods pursued in the conduct of the business of the department, to the end that where improvements might be made, they can be suggested and provided for.

THE NEW CAPITOL BUILDING.

The Eighth session passed a law creating a commission to build a new Capitol Building at the seat of government in Boise. This commission, it is felt, has made very satisfactory progress with work thus committed to them. Plans have been selected for the new building, and the foundation and basement walls for the main building have been completed. Contracts for the steel of the building have been let, and also contracts for the stone work of the first story. The work is progressing as rapidly as could be expected.

Congress, on the admission of Idaho, gave the State for

Capitol Building purposes 32,000 acres of land to be selected from the public domain. If proper wisdom had been shown in the selection of these lands, a large proportion of the cost of the proposed new building could have been paid from the proceeds of their sale. However, investigation of the land department's record discloses a serious condition. Of the grant of 32,000 acres selected, something over 16,000 acres have already been sold, or the timber on the land has been sold. The major portion of these lands, from which the timber has been sold, were on the Payette River and its tributaries. These sales were made at very low prices. Of the remaining Capitol Building lands, about 16,000 acres, almost all, are practically worthless. The commission does not expect to receive from the sale of these lands and the timber on them to exceed \$50,000. The money received from former sales of these lands and timber sold together with the proceeds of the sale of \$100,000 of bonds authorized by the Eighth session, have been used in the work already done, or provided for by contract, which will only carry the main building to the first story. The law provides that the issue of bonds authorized shall be paid from the proceeds of the sale of the remaining lands and timber of the grant. There now remains a balance of a little over \$60,000 in the way of deferred payments on Capitol Building lands sold, which become due and payable from time to time. It will be seen from the above that not more than sufficient can be realized from the deferred payments on lands sold, and from the sale of all remaining lands and timber to pay the bonded indebtedness incurred on this account. If the work on the buildings is to be continued during the next two years, some provision for an ap-

appropriation will have to be made. I would also respectfully suggest that you memorialize Congress for an additional grant of at least 50,000 acres of land for the Capitol Building endowment. I feel that it will take the proceeds of fully this large a grant to provide for the completion of the new building as contemplated. It must be remembered that the opportunities for the selection of good lands today are extremely limited.

CHARACTER OF PREVIOUS LAND SELECTIONS.

It is a deplorable fact that not only the Capitol Building grant lands remaining unsold are largely worthless, but that fully 40 per cent of all the special grant lands selected prior to 1905 were without value. One of the things that should be provided for in making an appropriation for the State Land Department is the complete cruising of all State lands, so that we may know just how much worthless land was selected. D. W. Ross, the engineer in charge of the Government reclamation work in Idaho, in a letter to me states that 80,000 acres of State lands about the reclamation projects now under construction are entirely too high to be irrigated by any canal.

During the past two years the State Land Board has made a complete examination of every 40-acre tract of State land in six counties, and you will find in the department's records a full description of these lands, with clear statements of their character and value. This work, I feel, is important and should be continued, to the end that an effort may be made for the relinquishment of the worthless lands to the general government. The State Land Board early in 1905 succeeded in relinquishing about 50,000 acres

of worthless lands selected by the State, and which had not been clear listed. When the land is once deeded to the State, relinquishment can only be accomplished through an Act of Congress. There is not much to encourage our Congressional representatives in their effort to pass a bill allowing such relinquishment, so that good lands may be selected in their stead, but in my judgment this effort should be made.

INTERMOUNTAIN WAGON ROAD COMMISSION.

I wish to call attention to the report of the Intermountain Wagon Road Commission, of which body I have had the honor to be a member and the chairman. I shall not burden my message with any further statement than that the work of the commission in the construction of roads into isolated mining districts, has been productive of good results, and I feel that it would be the right policy to follow in the future, if in your judgment it would be wise to continue the work of development by the building of roads into the interior of our State. I desire to call particular attention to that portion of the report that recommends the placing of the extensive roads built by the State under a toll system.

THE PORTLAND EXPOSITION.

For the first time since Idaho has been exhibiting at International Expositions, the work of the State at the Lewis and Clark Fair was all paid for by the appropriation made for that purpose, and there was a small amount of money left which has been turned back into the Treasury. I am confident that all those who visited the Portland fair, and had an opportunity of viewing Idaho's exhibits, were

pleased with the same, and will agree with me that a remarkable showing was made for the State by those in charge of the exhibit. I am confident Idaho is now and will continue to reap a rich harvest from this splendid showing.

OUR STATE INSTITUTIONS.

The Eighth session provided very liberally for improvements at all our State institutions. It was expected at that time that the improvements provided for would be ample for most of these institutions for the succeeding four years. But the wonderful growth and development of our State for the past two years has already taxed these institutions to their fullest capacity, and it will again be necessary to make appropriations for the enlargement of many of them. An asylum for the insane was established in north Idaho, which has proved a blessing to those unfortunates who are committed there for treatment. Under the present able management I am assured that an institution will be built up that will be the pride of the whole State.

My visits to the Insane Asylum at Blakfoot have made me feel certain that that institution is in excellent condition, and that all that is possible is being done for those committed to its care.

Reports received from the State Normal School at Lewiston and Albion and the Academy of Idaho at Pocatello, show splendid growth in attendance at each of these schools and a decided betterment of the work being done.

STATE PENITENTIARY.

Improvements have been made at the State Penitentiary during the past two years in many ways. The report of Warden Whitney, to which I call your attention, will give you a clear idea of what has been done. The health of the inmates during this time has shown a decided improvement. I attribute this wholly to the fact that they have been kept steadily employed. I feel that the best interests both of the State and of those who are confined in the penitentiary demand that you should provide some means of steady employment for the convict population of the State. I feel that the State can properly make some provision by which these people shall be given an opportunity to work at some useful occupation, and in this way in some measure take the burden of their own support from the shoulders of the tax payers. The Capitol Building Commission has acquired title to valuable stone lands, which can be made to furnish excellent rock for building purposes. I would suggest that your body so amend the present statutes so that materials from this quarry can be produced by convict labor and sold in the open market. The steady employment of these men, it must be admitted by all, would be conducive to the improvement of both their minds and bodies, and would have a tendency toward making them better citizens.

A visit to the penitentiary, I am sure, will be time well spent, and will give you a better idea of what the needs of the institution are.

SOLDIERS' HOME.

The improvements to the Soldiers' Home during the past two years have been such as to make it a model institution of the kind. A hospital has been built, which is ample to care for the inmates of this institution, who in their declining years are subject to many ailments brought about by the exposure incident to service rendered their country during the dark days of the rebellion. This institution is within easy reach by car lines of the Capitol, and I sincerely hope that every member will pay the Soldiers' Home a visit some time during the session. I recommend liberal appropriations for this institution, so that these old veterans may have as many comforts during their declining years as it is possible to give them.

THE STATE UNIVERSITY.

The State University, standing at the head of our educational institutions, and which has long been the pride of the citizens of Idaho, was, on March 30, 1906, visited by a calamity, the Administration Building being entirely destroyed by fire. The loss of this magnificent building, with its splendid library and equipment, has been a severe blow to the institution. Under some conditions this loss would have crippled its efficiency for a number of years. The excellent and self-sacrificing work of the faculty, together with the loyalty of the student body, however, has done much to bridge over this great misfortune. I feel that you should give this institution all the encouragement in the way of appropriations the financial conditions will allow. A liberal spirit toward the university would greatly encourage those now in attendance there under the present

difficulties and discomforts, and make more certain the continuance of both faculty and student body loyalty thus far so magnanimously shown.

WORK OF THE FISH AND GAME WARDEN.

The work of the Fish and Game Department during the past two years, I feel especially deserves commendation. The report of the State Game Warden, which will soon be placed on your desks in printed form, will show that the receipts from licenses have been very large, and that a considerable surplus is left after the payment of all expenses of the department. This, of itself, I do not feel to be of such great importance in comparison with the work that has been done in protecting the game and fish of the State. The warden's report will give an idea of the work accomplished in preventing the continued existence of illegal fish ponds in the southern part of the State, and the shipping of game fish from the State, and also the thoroughness with which the wild game in all parts of Idaho have been protected from selfish slaughter of pot hunters.

IDAHO STATE MILITIA.

The Idaho State Militia is reported in a healthful condition. There has been a steady growth in membership and a decided increase in the interest that is being taken by members of the National Guard. I feel that the Legislature should continue to pursue its policy of liberality to this important institution, and that a fair appropriation should be provided. For several months this year schools of the soldier were maintained among the companies of the Third Battalion of the Idaho Regiment, an officer attached

to headquarters being detailed as instructor. This work, the expense of which was not made a charge upon the regular appropriation, should be continued in the future, and I feel should be provided for in the appropriation for this department. It has been suggested that the State troops would receive much greater benefit through the holding of battalion encampments and practice marches than can be obtained through the encampment at American Lake, Washington. I would suggest that Congress be memorialized, with a view to having the general government turn over to the State of Idaho, its quota of the expense of such annual encampment, to be used in the holding of battalion encampments and marches. These battalion camps and marches should be under the active supervision of an officer of the regular army, detailed by the War Department for that purpose.

STATE VETERINARY DEPARTMENT.

The Eighth session passed a law creating the State Veterinary Department and providing for the appointment of a State Veterinary Surgeon. This law has now been in force almost two years and a great deal of good has been accomplished. The live stock industry has been helped materially. I feel that it would be best that this law should be amended, so that the powers and responsibilities of this officer should be more clearly fixed.

SCHOOL FOR THE DEAF, DUMB AND BLIND.

The State Board of Education during the past year decided that better results would be secured in the care and education of the defective children of the State, if a State

School was established, and the former system of farming these children out in similar schools in Washington, Utah and Colorado was discontinued. The purchase of the old Central School building in Boise by the Capitol Building Commission made the carrying out of this plan easily feasible. The plan was determined on by the board, and the school was opened last fall. Dr. J. H. Watson, a man of long experience in the management of such institutions, having been secured for the superintendency, the school was opened on September 12, 1906. There are now in attendance at the school thirty-six children, who, it is felt, are receiving the best of instruction at a cost to the State of much less than was formerly spent with similar schools outside this State. The present quarters of the school, it is felt, will be sufficient for the next two years. If it is deemed best to locate the school permanently at this time, I feel that too much care can not be exercised in the selection. The mildest possible climate should be chosen, so that these children may be able to enjoy all the sunshine and outdoor life possible.

UNITED STATES SENATOR.

The Republican party in convention at Pocatello, in its wisdom, indorsed the candidacy of the Hon. W. E. Borah for United States Senator. This will relieve the Legislature of the contest that ordinarily occurs over the election of some one to this position of high honor and great influence, frequently creating a bitter feeling which is carried through the entire session, interfering with the passage of laws that are greatly needed. The action of the Pocatello convention makes the performance of your duty in this

matter very simple. The people of Idaho are to be congratulated on the splendid representation they will have in the United States Senate by the election and seating of Mr. Borah.

THE DIRECT PRIMARY LAW.

In the last campaign the Republican party made many important pledges to the people. With a record for faithfulness to its promises unbroken in the past by the party, it is confidently predicted that the Republicans elected to the Ninth session of the Legislature will see that these pledges are enacted into laws. Among the pledges made to the people was one for a primary election law. There is now some contention by some of our prominent citizens as to what this promise meant. But in my judgment there is no question in the minds of a large majority of the people as to the interpretation put upon this promise by many of our speakers throughout the campaign. The people of Idaho, in my judgment, have a right to expect of this Legislature the passage of a direct primary election law, giving them an opportunity of nominating their candidates, for both County and State offices, by direct vote. Anything less than this I am sure will be a great disappointment to the people, and those responsible for the defeat of such a measure should and will be held accountable.

THE ANTI-PASS LAW.

Another promise made to the people was that for an anti-pass law, prohibiting the use of railroad passes by all public officials. It has been the custom in the past for State and county officials to receive favors in the form of

free passes from transportation companies. This, in my judgment, is all wrong, and I sincerely hope that this promise to the people will be kept by the enactment of a law prohibiting the use by any State or county official of favors at the hands of railroad, telegraph and telephone companies. I feel that you should go farther and prohibit the issuance and use of free transportation by all citizens of the State, unless actual employes of the railroad, telegraph or telephone company issuing the pass. A law following along the lines of that passed at the last session of the national congress, which only allows issuance of passes to employes, ministers of the gospel, and persons engaged in charitable and religious work, I feel would meet with general approval, and prevent the control to a large extent, of political parties by the great corporations doing business in Idaho.

ANTI-TRUST LAW PROMISED.

The passage of an anti-trust law was promised the people of the State in the Republican platform and throughout the campaign. I feel that such a law should be enacted and enforced.

EIGHT HOUR DAY—EMPLOYERS' LIABILITY ACT.

Other promises made the people were for an eight-hour day for underground miners, and an employers' liability law. Great care should be taken in drafting these measures. Laws that are fair to both capital and labor should be passed.

In the recent campaign the promises made to the people by both the great political parties were very similar. I

can see no reason why the representatives of both parties should not work together in the enactment of good laws for the people.

COUNTY DIVISION.

In the counties of Kootenai and Cassia the people, irrespective of party, have agreed on county division. In these two counties they have gone so far as to agree on the geographical lines of division. I feel that one of your first duties should be to see that the wishes of the people of these counties are carried out as speedily as possible.

AMENDING THE ELECTOR'S OATH.

No greater obligation rests on the people than the protection of the elective franchise. Every safeguard should be thrown about the exercise of this privilege. Legislation on this subject should not be local in its character, but should be made to reach all classes of crimes alike. In the last two campaigns we have heard a great deal about the necessity for the re-enactment of the test oath. I see no good reason why the test oath should not be re-enacted, and with its re-enactment I feel that such crimes as adultery, fornication and all other offenses against the home should be included in the elector's oath, that every citizen of Idaho should be compelled to take when exercising the franchise. I sincerely hope this recommendation will meet with your favor.

STATE BOARD OF HEALTH.

In my judgment it is very important that Idaho should have a State Board of Health to protect her citizens from the spread of contagious diseases. The law should also pro-

vide for the registration of births, marriages and deaths, and the gathering of vital statistics. I would respectfully urge the passage of such a measure.

THE CRICKET PEST.

In the summer of 1906 I visited Fremont County, at the request of many farmers and citizens, for the purpose of investigating the cricket pest. I found the condition to be a very serious one, many of the outside farms having been entirely devastated, and the growing crops completely destroyed. This matter, I feel, deserves your attention. A law should be enacted allowing taxation, so that the various counties afflicted with this pest may rid themselves of a great menace to continued growth and prosperity.

AN INTER-STATE BRIDGE.

The question of a free bridge across the Snake River at Lewiston, which would connect the States of Washington and Idaho, is one of greatest interest to the people of Lewiston and surrounding county. I would respectfully suggest that a commission from the two Houses of the Legislature to meet with a similar commission from the Washington Legislature, be appointed, and that this joint body make a careful investigation and report, both as to feasibility and ways and means, and report to the Legislature at the earliest possible time.

CORPORATION FEE LAW AMENDMENTS.

I find on investigation that the fees paid to the Secretary of State for the filing of articles of incorporation are much less than in other States. The revenues of the State

can be largely augmented by increasing the size of these fees. I also find that in other States a yearly tax is levied on corporations, besides the tax on the corporation's property. This is the practice in many of the older States of the Union. In my judgment, this matter should receive careful attention, and if it is found that the passage of a law levying a graduated tax upon corporations, as a form of license, would work beneficially, such a measure should be passed.

SOCIETY OF IDAHO PIONEERS.

For several years an organization of Idaho pioneers has been in existence, and a great deal of valuable data and many interesting relics have been collected, relative to the early history of the State. The continuance of this important work can not be expected of a purely voluntary organization. The matter already gathered should be taken in charge by the State, and placed in charge of a custodian and historian, whose appointment should be provided for by your body. I would respectfully suggest that a small appropriation be made for this purpose. To the Idaho pioneer we all owe a debt of gratitude. A large part of the credit for present conditions is due to his faith in the future, and his indomitable courage and perseverance.

LOCAL OPTION ENACTMENT.

You will be asked by a large element among the voters of the State to pass a local option bill. It is admitted by all that some further control of the liquor traffic is commendable and necessary. The right of the people to abate nuisances in their respective communities is one that should ap-

peal to all our citizens, and I would respectfully commend the subject of legislation on this important matter to your careful consideration.

CREATION OF A RAILROAD COMMISSION.

I wish to earnestly recommend the enactment of a law creating a railroad and transportation commission in this State, to consist of three members, to perform the duties and exercise the powers contemplated by the provisions of Section 5 of Article XI, of the Constitution of the State of Idaho, which is as follows:

"All railroads shall be public highways, and all railroad transportation and express companies shall be common carriers and subject to legislative control, and the Legislature shall have power to regulate and control by law, the rate of charges for transportation of passengers and freight by such companies or other common carriers from one point to another in the State. Any association or corporation organized for the purpose shall have the right to construct and operate a railroad between any designated points within the State, and to connect within or at the State line with railroads of other States or Territories. Every railroad company shall have the right with its road to intersect, connect with or cross any other railroad under such regulations as may be prescribed by law and upon making due compensation."

Under the decisions of the courts in other States, and as I am informed, in the Supreme Court of the United States, under the constitutional provision quoted above, the Legislature has the right to create such a commission, and endow it with the power to fix absolute rates to be charged

for service by railroads and other corporations which are common carriers, and to correct abuses and discriminations in freight and passenger traffics and other charges, on the different railroads and common carriers of this State.

I desire to call your attention to the message of President Theodore Roosevelt, of December, 1901, when he addressed Congress in advocacy of amending the Interstate Commerce Act, in the following way:

"The railway is a public servant. Its rates should be just and open to all shippers alike. The Government should see to it that within its jurisdiction this is so, and should provide a speedy, inexpensive and effective remedy to that end. At the same time it must not be forgotten that our railways are the arteries through which the commercial life blood of the nation flows. Nothing could be more foolish than the enactment of legislation which would unnecessarily interfere with the development and operation of these commercial agencies."

The statement of the President applies with equal force to a State as to the Nation, and if the Interstate Commerce Commission is necessary to the Government of the United States, a somewhat similar body is necessary to the proper government and the protection of the rights of the people of Idaho.

A deplorable condition has confronted the people of Idaho during the past two years from lack of proper equipment by existing railways to do the business of the State. This condition has been so alarming that if continued I fear it will seriously cripple the growth of Idaho. The railroads insist that they are not responsible for this condition.

Without a commission adequately empowered to investigate and remedy these conditions the State is at the entire mercy of the railroad companies, whose sole aim is to pay enormous dividends.

I believe, when comparisons of freight rates are made between those charged in Idaho and other States, our rates will be found most exorbitant in many cases. If Idaho is to receive its benefits from the Interstate Commerce Law, as amended at the last session of Congress, we should have a commission whose duty it should be to carefully investigate excessive rates paid by our shippers on both State and interstate business, and present the facts gathered to the Interstate Commerce Commission.

It is to be remembered that the volume of business transacted by the Interstate Commerce Commission is so large, that unless Idaho is in a position to call the attention of the commission to the causes of complaint intelligently, the abuses complained of will continue unabated for a longer time, and our State will be among the last to receive attention and secure relief.

Great care should be taken in defining the duties and powers of the railroad commission. I feel that it should be given power to fix the absolute rate to be charged for specific freight hauls. It has been the history of railroad legislation in other States that where a maximum rate is fixed for freight traffic, former abuses may be continued by the transportation companies, granting rebates or fixing lower rates for favored shippers. The rates for freights and fares, and other common carrier charges, when fixed by the commission, should be made immediately operative, and to remain in force until such time as the commission shall

otherwise order, or if an appeal to the courts is taken, the courts shall determine otherwise.

Authority should be vested in the commission to require railroad companies, upon reasonable notice, to furnish all the cars requisite to accommodate shippers, and a provision should be made whereby demurrage charges for cars ordered should be reciprocal—the shipper paying for the use of cars delivered and unused, and the transportation company paying for the non-delivery, within a reasonable time, of cars ordered.

Reasonably adequate train service on all railway lines, and public service from all other common carriers, should be within the authority of the commission to compel—this demand including the minimum number of trains that shall run at convenient hours for the traveling public, and reasonable connection with the service of other lines; to provide proper station accommodations and telegraph service; to require the use of automatic couplers, air brakes and other safety devices for the protection of the railway employes, with penalties for non-compliance with this order; to make and enforce reasonable regulations for the protection of private property, and the proper drainage of land affected by railroad construction.

The commission should be clothed with power to enforce entire publicity, and if this is done, I feel confident it will rarely be necessary for the commission to use its authority to prosecute. Publicity should extend to complete itemized statements of all matters connected with the finances of the railway business. For the commission to be able to do justice between the transportation companies and the shippers, its members must have accurate and detailed

knowledge of the earnings and expenses of the railways. The commission should have authority not only to inspect the railway companies' books, but this authority should extend to compelling the use of a uniform system of accounts.

One of the most important phases of railway regulation by commission is the selection of its membership. That railway commissions can be made productive of great good to the general public and the railways themselves has been shown in many States. Even a perfect law, however, will fail utterly in its undertaking, unless men of ability and high character compose it. If a railroad commission bill is passed by you, it will of necessity provide for the appointment of its members for a time: I desire to recommend to the Legislature the creation of an appointive commission, whose terms of office should be six years, one of the commission retiring every two years, his successor to be appointed by the executive, in whom the power of removal at any time should be vested. It has been said, I believe with truth, that in other States, whatever differences of opinion might be found among the supporters of a measure regulating railways as to an appointive or elective commission, no division will be found among the opponents of such legislation—they will favor an elective commission unanimously. While opposition to the creation of any commission may be expected, so long as it may be effectively done, the opposition will join with complete unanimity for the election of the commission, and the shortest possible term of office for its members. Careful thought will lead you to appreciate the reason why opponents of railway regulation should prefer an elective commission and a short term for the commissioners.

THE STATE'S PART IN THE STEUNENBERG CASE.

A most calamitous occurrence was the assassination of ex-Governor Frank Steunenberg, which occurred on December 30, 1905. Mr. Steunenberg was killed by the explosion of a bomb which had been placed at the gateway of his yard in Caldwell. The crime was an unusually atrocious one. The murdered man had been Governor of Idaho throughout two terms, serving his State with distinguished honor and fidelity. At the time of the murder, evidence was not wanting to show that Mr. Steunenberg's death was in revenge by the lawless element for his faithfulness to his trust as Governor, in seeing that the laws were obeyed, and in protecting the rights of life and property. I felt that this was a case of such magnitude in its nature that the interests of justice would be best served if the State of Idaho took charge of the prosecution, not leaving this duty to Canyon County, the work in the hands of the county being necessarily handicapped by the very considerable expense involved in the investigation and solution of an apparent conspiracy, which almost of necessity, had its origin outside of the State.

In pursuance of this decision, the work of investigation of the Steunenberg case was at once undertaken by the State. Detectives were employed, and the arrest of one Harry Orchard as a suspect was made. Hon. James H. Hawley, Hon. W. E. Borah and Hon. W. A. Stone were employed by the State to assist in prosecuting the case against him. On January 18, 1906, Orchard confessed to the murder of Mr. Steunenberg, and in his confession named Charles H. Moyer, William Haywood, George A. Pettibone and J. L. Simpkins as principals in the commis-

sion of the crime with him. The first three named were arrested in Denver, Colo., and brought to Idaho. J. L. Simpkins is still a fugitive, although a large reward has been offered for his arrest. Immediately after this a grand jury was called in Canyon County, and indictments for murder were found against the five men. The four under arrest are now being held awaiting trial. About the same date the State authorities caused the arrest of Steve Adams near Haines, Ore., and he was brought to Idaho, under a charge of being connected with the fearful murder of Mr. Steunenberg. Soon after his arrival Adams also made a confession, which included a great deal of what had been confessed by Harry Orchard. These two confessions made even more plain to myself and the officers of the prosecution the fact that this was a case where the State could and should properly intervene. The State's attorneys report that they have been ready to proceed to trial at any time during the past eight months, but the matter has been delayed, owing to writs of habeas corpus having been applied for by Defendants Moyer, Heywood and Pettibone, which being refused by both the Idaho Supreme Court and the United States Court for Idaho, were appealed to the United States Supreme Court, which has in a recent decision sustained the lower courts, and has declared that the men were arrested and brought to Idaho with proper regard for their legal rights. It is now expected that the trial of the accused men will occur in the immediate future, unless defense intervenes with some technical motion which should cause a delay.

Immediately after the murder of Mr. Steunenberg, and the decision was reached that this was a State case, the

State Board of Examiners passed a resolution declaring an emergency, and authorizing the issuance of deficiency certificates, for the payment of necessary expenses, the work and expense of detectives and officers, fees of lawyers and other necessary purposes. I felt that this cause was so full of merit, so clearly an imperative duty, that in a letter addressed to the various bankers of the State, I made an appeal to them to assist the State in this matter, by taking these certificates without discount. Throughout the State the favorable response of the bankers was general, and the emergency deficiency certificates have been taken care of without discount. I desire to express my thanks to these bankers in the most public manner, and to assure them and you that I feel that in this action they have shown their patriotism, love of justice and their loyalty to the State. A report of these emergency deficiency certificates will be certified to you by the State Auditor. I desire to urge upon the Legislature as speedy action as is commensurate with a thorough understanding of the whole matter.

I feel that it has been a great misfortune, that grave misunderstanding has arisen among many of the labor organizations, relative to the action of the State in taking up the work of investigation and prosecution in this important murder case—probably the most important, not only to the people of Idaho, but also to the people of the whole United States—known in the history of the nation. Some of the great labor leaders, and many of the central labor organizations, have expressed themselves as in opposition to the State in its conduct of this case. Charges have been made, of an absolutely unfounded character,

that an attempt was being made by the State executive and others to secure the conviction of innocent men for a murder; it is also claimed was committed through the instigation of the very parties who they say are now endeavoring to convict innocent men. This claim is so absurd I feel it does not need refutation.

This is a murder case, and as such it should be tried, regardless of the position the accused men have occupied, or may now occupy, in labor organizations. They are entitled to a fair trial. The character of our courts and our citizenship ensure it to them. There is no desire on the part of the State to put labor organizations, or the principle underlying the formation of such organizations, and their purpose, on trial, or to make war on the labor union idea. The State is endeavoring to punish a crime of particularly horrible character. The prosecuting officers have secured evidence that points to certain men as the offenders, and in fulfillment of a sworn duty, have caused their arrest and detention, and now desire their trial. The trial of these men will in no sense, be the trial of a labor organization, nor will there be any disposition to bring punishment on that organization or its members, except as they may, as individuals, have been guilty of offenses against the law, and the best interests of the government and of others. If labor and labor organizations shall be injured through the trial of these men and their punishment, if found guilty, it will be through the ill-advised actions of the labor organizations and some of the members of the organizations themselves. I do not feel that anyone more fully recognizes the nobility of labor than myself, and I am confident that this sentiment is felt in the same degree by the officers of the prosecution.

It is with much satisfaction that I am able to inform you that my actions in this matter have been sustained by the courts, including the District Court for the Seventh Judicial District, the State Supreme Court, the United States Court for Idaho, and the United States Supreme Court. The proceedings had, together with all matters of interest in the case, were the subject of strict inquiry by the President of the United States, Hon. Theodore Roosevelt, who, acting through his personal representative, the First Assistant Attorney General of the United States, visited Idaho and made a careful and painstaking investigation of the whole matter. He reported to the President, and Mr. Roosevelt has since that time, by word and action, expressed himself as heartily in accord with the State in prosecuting this case.

The confession of Harry Orchard, which is corroborated in large part by the later confession of Steve Adams, tells a tale so full of horror as to be almost unbelievable. To read the sworn confessions of these men compels belief in the wisdom of the action of the prosecuting attorney of Canyon County, who made complaint against the three men arrested in Denver and now held for trial. As to the guilt or innocence of these accused men, this is a matter that is being left entirely to the court and for a jury of their peers to determine.

This case, in my judgment, is so clearly one in which all the people of Idaho are equally interested, that I feel that the burden of the prosecution should rest entirely with the State, and that Canyon County should be relieved from the payment of any of the expenses of this prosecution, other than in the payment of her proportional share of necessary State taxes.

MEMORIAL RESOLUTIONS.

I would suggest to you the propriety of the passage of a memorial resolution in honor of ex-Governor Frank Steunenberg, not only on account of his distinguished services to the State, but also because through his tragic death he has become the State's first martyr to the cause of the maintenance of law and the preservation of order.

The hand of death was laid upon ex-Governor Frank W. Hunt of Idaho, on November 25, 1906, at Goldfield, Nev., and his remains were laid to rest in the cemetery here on November 30, 1906. Mr. Hunt was Governor of the State during the years 1900-1, and prior to that time he had served the State and his country with distinction in the Philippine war. The passage of appropriate resolutions is suggested.

STATE'S FINANCIAL CONDITION.

The financial condition of the State has been improved during the past two years. There has been an enormous growth in population and this has been attended by a corresponding growth in property and in property values.

The debt statement for January 1, 1907, shows that our bonded indebtedness was on that date \$1,079,000. On January 1, 1905, the State's bonded indebtedness was \$733,500. The Eighth Session of the Legislature authorized a bond issue of \$460,500. The amount of bonds issued, however during the past two years was \$491,500. During the two years bonds have been redeemed to the amount of \$146,000. The difference between the amount of bonds authorized by the Eighth Session, and the bonds issued, is accounted for by the issuance of \$31,000 of bonds, which

had been authorized by the Seventh Session. It is noticeable that with the exception of one issue of State bonds drawing 5 per cent, all State bonds are for 4 per cent.

On January, 1905, the State treasury had cash on hand to the amount of \$179,095.48. The receipts during the two years from all sources to January 1, 1907, were \$3,111,506.14; disbursements during this period, \$2,849,941.13; balance cash on hand January 1, 1907, \$440,660.49. At the beginning of the two years' term, January 1, 1906, there was outstanding and unpaid warrants and deficiency certificates aggregating \$363,075.87. At the close of the past year the outstanding warrants aggregated \$262,480.39. In addition to this general purpose deficiencies aggregating \$50,000 in round numbers have been drawn, and an amount of emergency deficiency certificates equally great on account of the Steunenberg investigation.

I desire to urge upon the Legislature the greatest care in making the appropriations for all purposes. The murder of ex-Governor Steunenberg and the burning of the administration building at the State University, have led to extraordinary demands, which it will be apparent to all of you must be met. In addition to this the growth of the State brings with it additional expense in almost all departments. I feel that the State institutions should be maintained so that the people may be insured good service, and at the same time due account should be taken of the necessity of an economical administration of the State's affairs.

F. B. Groening